

A Report to The Governor's Council of Economic Advisors

Current Economic Indicators Massachusetts and the Nation

Prepared by:

Arlington Advisory Partners

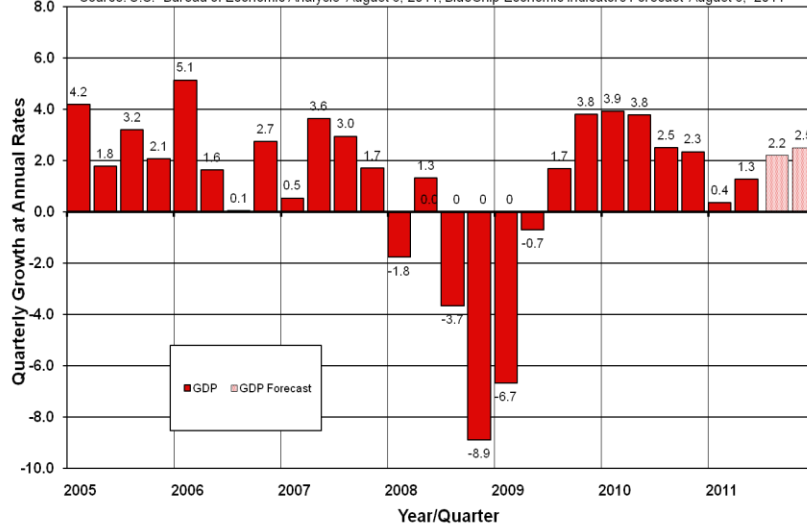
August 6, 2011

National Economy

MACROECONOMIC INDICATORS

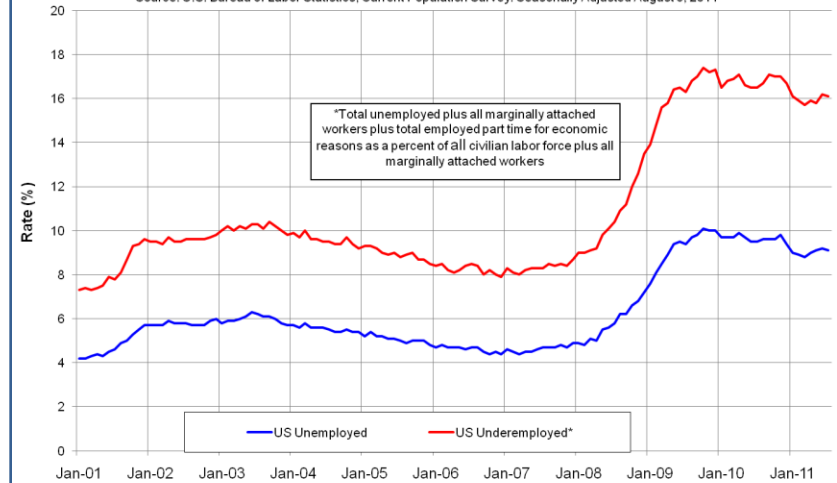
U.S. GDP Growth

Source: U.S. Bureau of Economic Analysis August 6, 2011, BlueChip Economic Indicators Forecast August 6, 2011



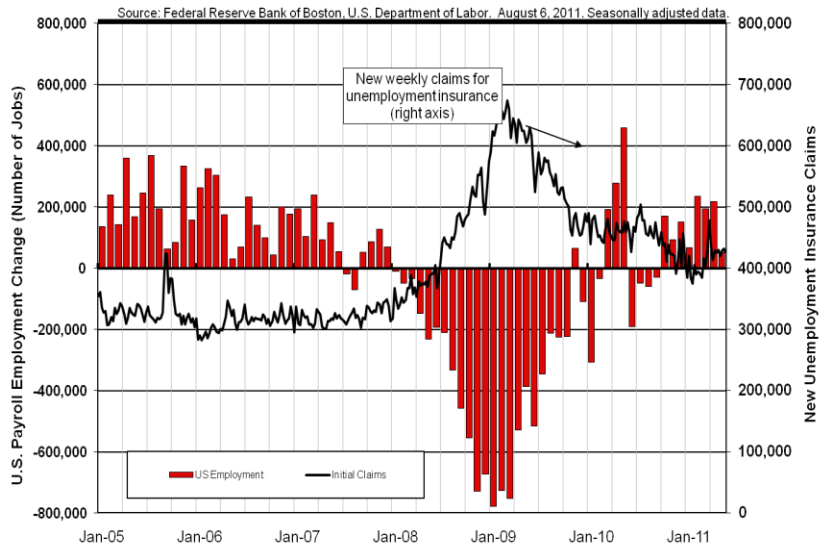
U.S. Unemployment and Underemployment Rate

Source: U.S. Bureau of Labor Statistics, Current Population Survey, Seasonally Adjusted August 6, 2011



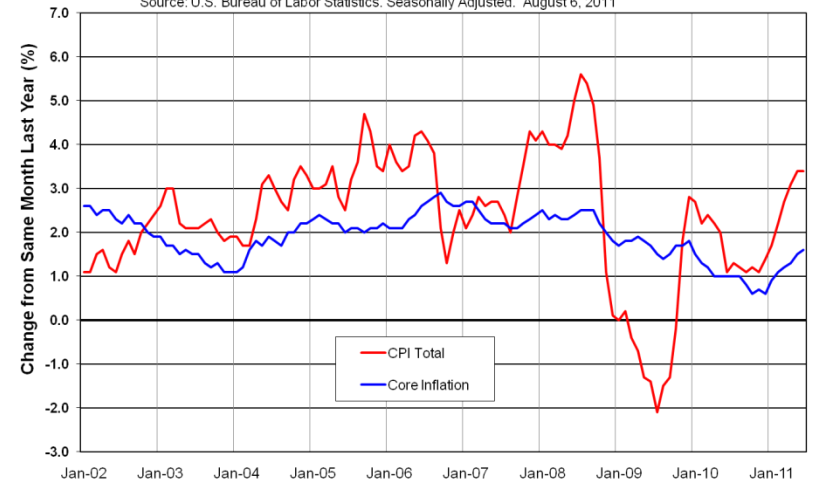
U.S. Payroll Employment

Source: Federal Reserve Bank of Boston, U.S. Department of Labor, August 6, 2011, Seasonally adjusted data.



U.S. Consumer Price Inflation

Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted, August 6, 2011

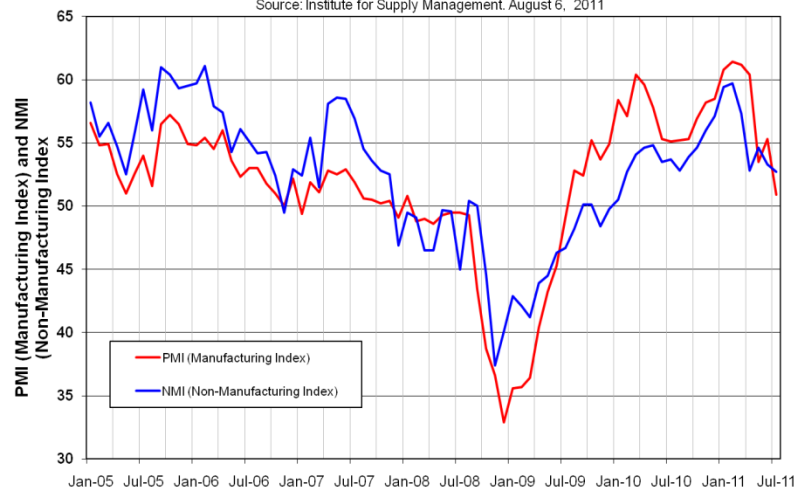


National Economy

BUSINESS AND FINANCIAL MARKET INDICATORS

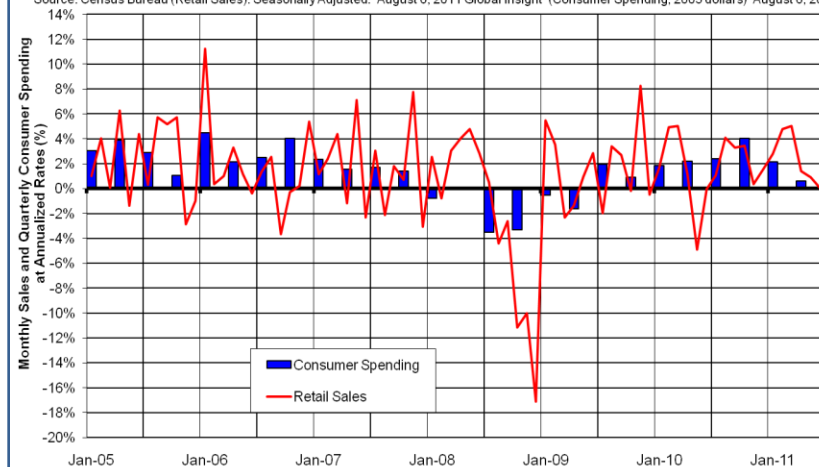
Institute for Supply Management Measures

Source: Institute for Supply Management, August 6, 2011



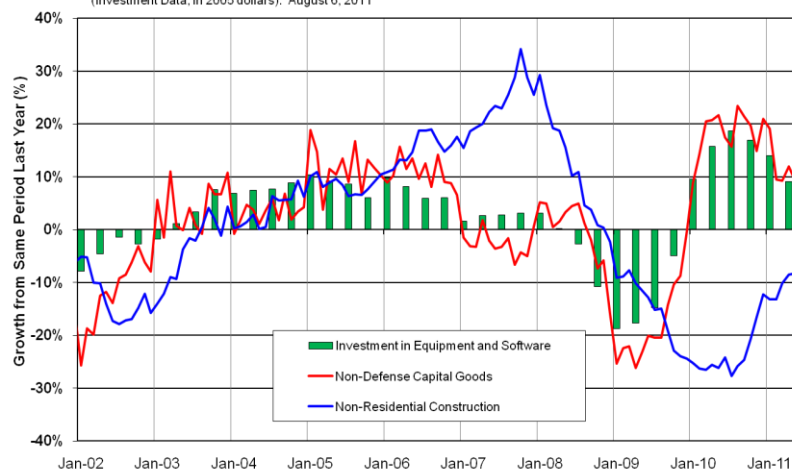
Retail Sales Excluding Motor Vehicles & Consumer Spending on Goods and Services

Source: Census Bureau (Retail Sales), Seasonally Adjusted, August 6, 2011 Global Insight (Consumer Spending, 2005 dollars) August 6, 2011



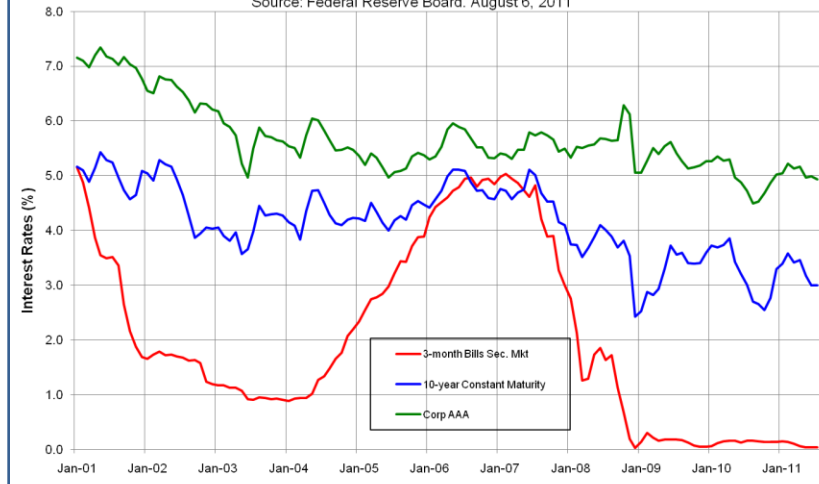
New Orders of Non-Defense Capital Goods (Excluding Aircraft), Non-Residential Investment in Equipment and Software, and Non-Residential Construction

Source: Census Bureau (Manufacturing and Construction Data), Seasonally Adjusted, August 6, 2011, Global Insight (Investment Data, in 2005 dollars), August 6, 2011



U.S. Treasury Securities Yield, Corporate AAA Rate

Source: Federal Reserve Board, August 6, 2011

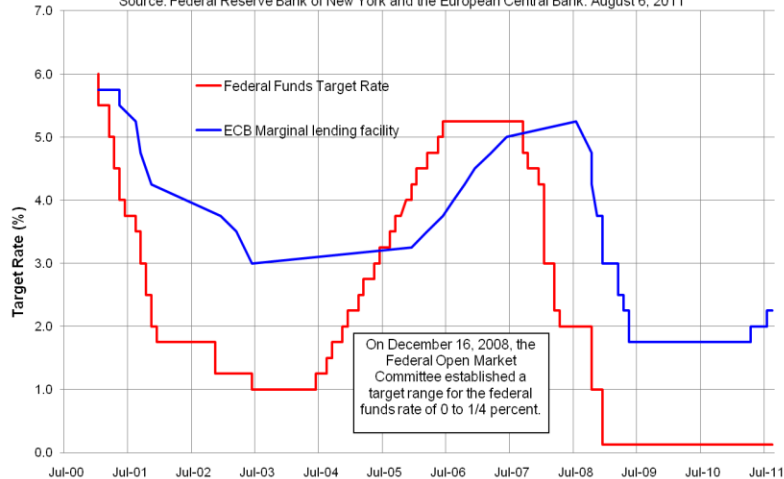


National Economy

POLICY INDICATORS

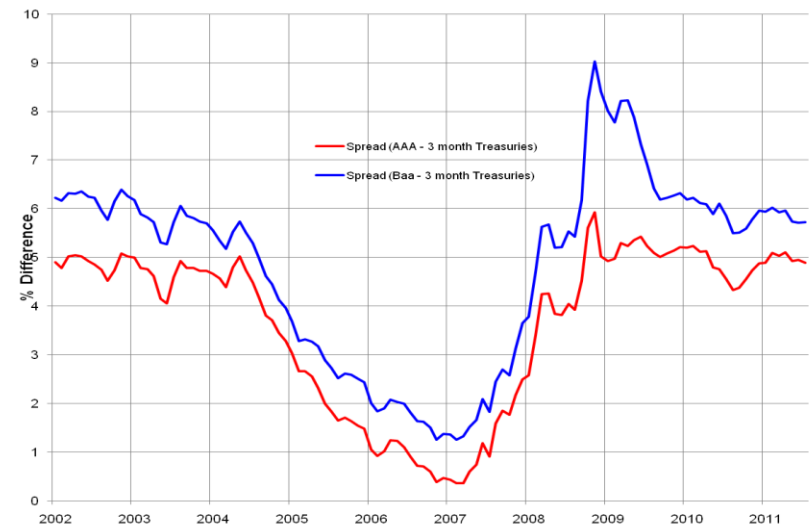
European Central Bank and Federal Funds Target Rate

Source: Federal Reserve Bank of New York and the European Central Bank, August 6, 2011



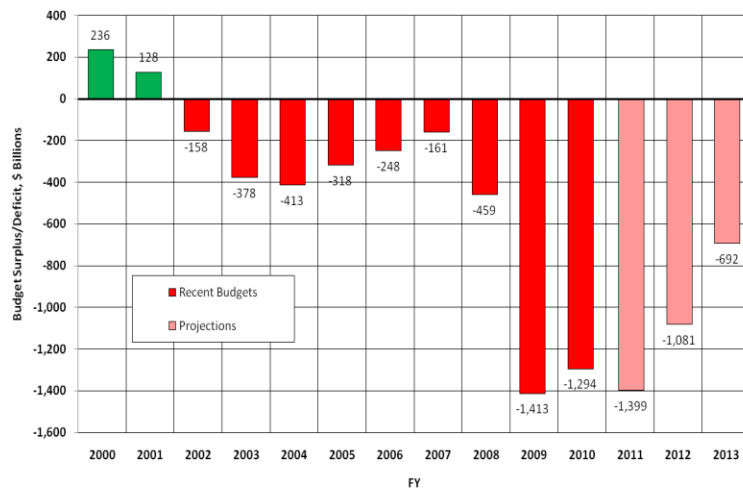
Business Lending Spreads

Source: Federal Reserve Board, August 6, 2011



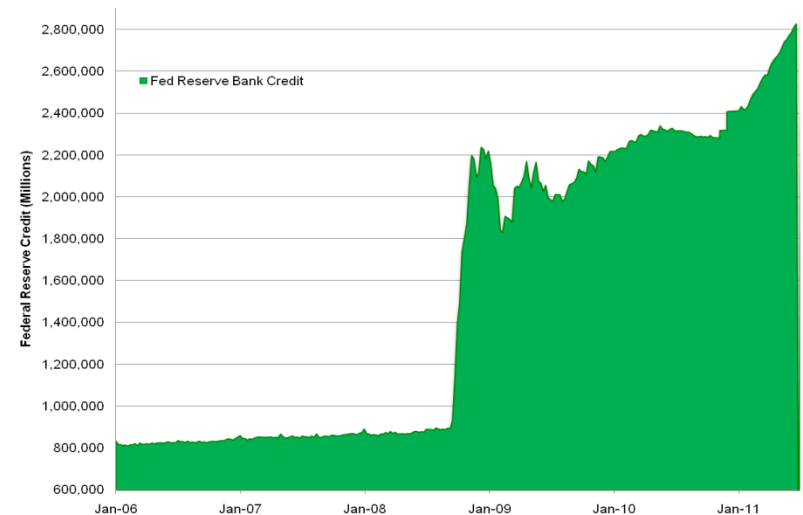
U.S. Federal Budget Surplus/Deficit

Source: Congressional Budget Office, August 6, 2011



Federal Reserve Bank Credit

Source: Federal Reserve, August 6, 2011

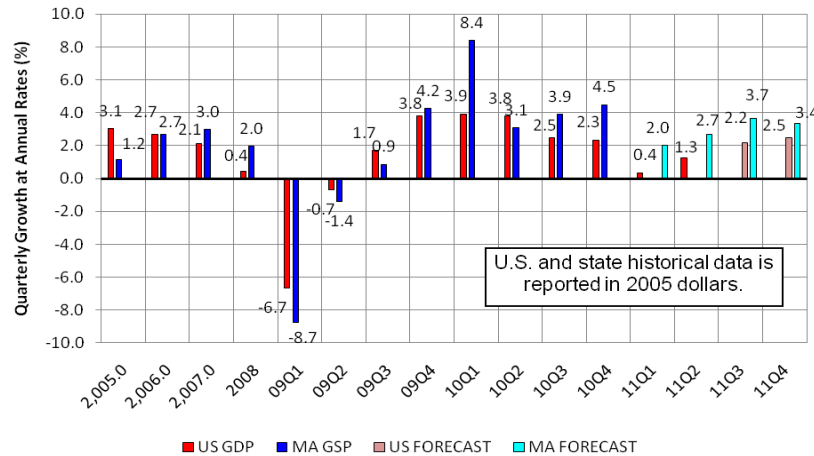


Massachusetts vs. The Nation

MACROECONOMIC INDICATORS

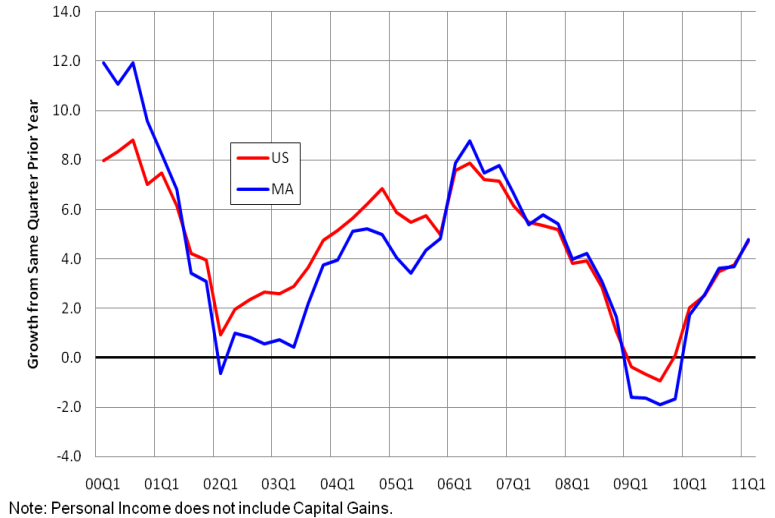
Recent Growth and Forecasts of Real Product Massachusetts GSP vs. U.S. GDP

Source: BEA, BlueChip Economic Indicators forecasts as of August 6, 2011.



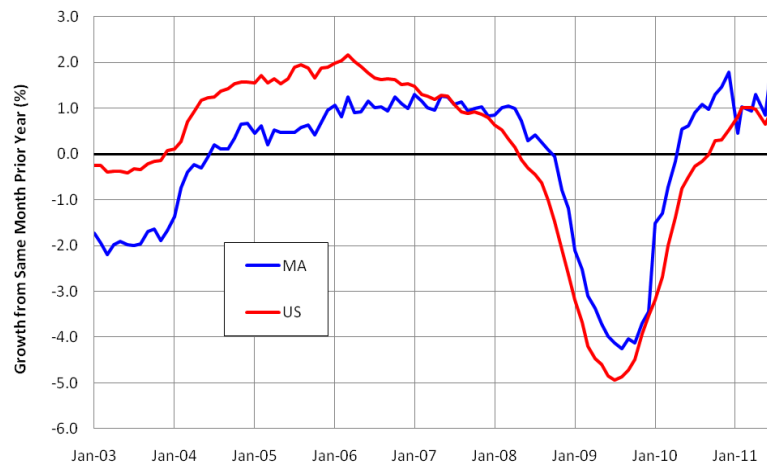
Growth in Personal Income Massachusetts vs. U.S.

Source: BEA. Updated as of August 6, 2011.



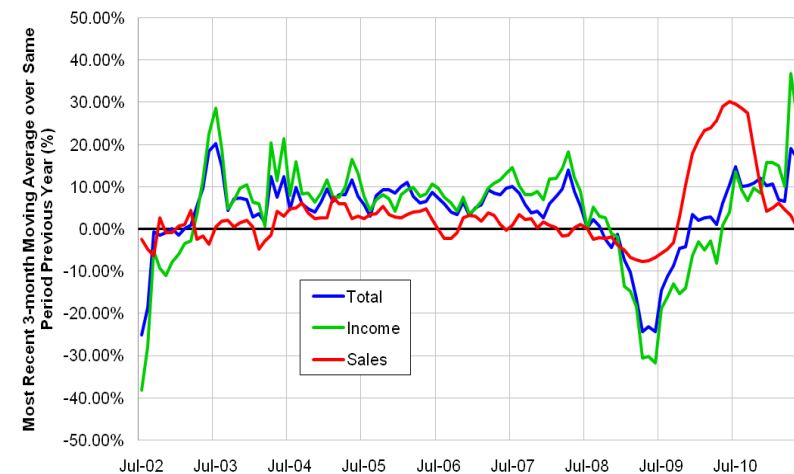
Massachusetts and U.S. Payroll Employment Growth

Source: U.S. Bureau of Labor Statistics. Total Nonfarm Employment - Seasonally Adjusted. August 6, 2011.



Massachusetts Tax Revenue Growth

Source: Massachusetts Department of Revenue August 6, 2011

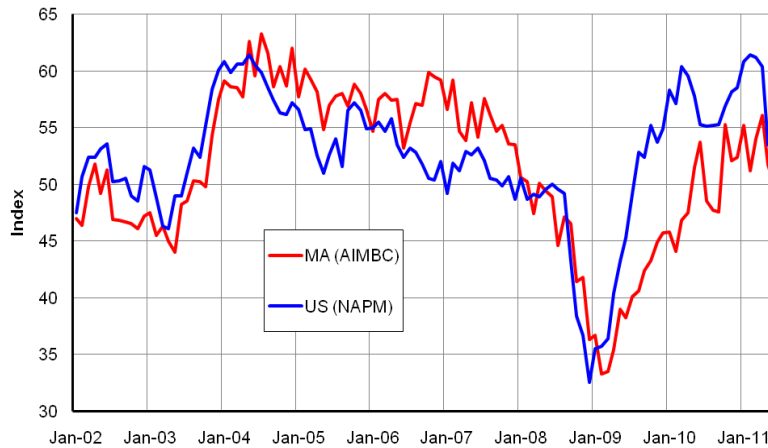


Massachusetts vs. The Nation

CONFIDENCE AND HOUSING MARKET INDICATORS

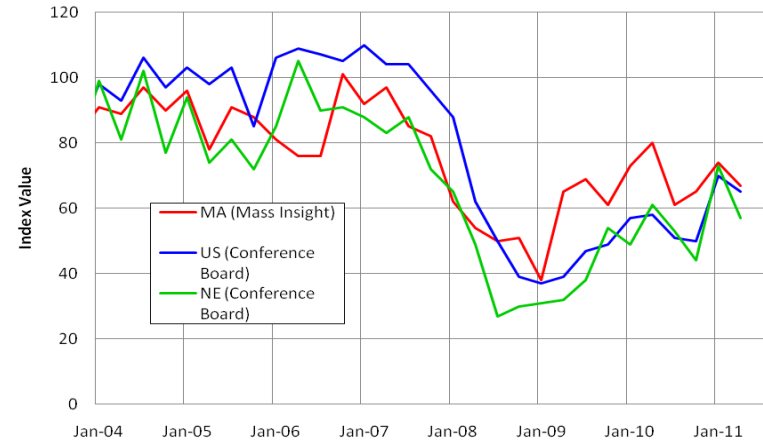
Massachusetts vs. U.S. Indices of Business Confidence

Source: Associated Industries of Massachusetts August 6, 2011. National Association of Purchasing Managers, August 6, 2011.



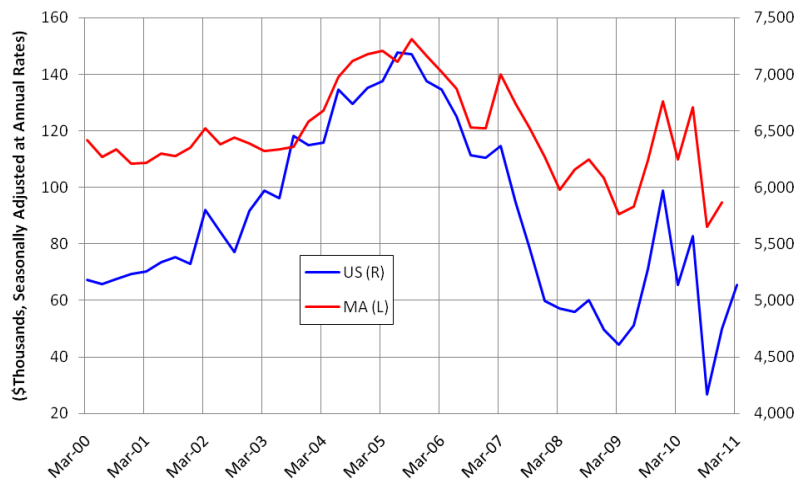
Massachusetts, New England and U.S. Indices of Consumer Confidence

Source: Mass Insight and the Conference Board, August 6, 2011.



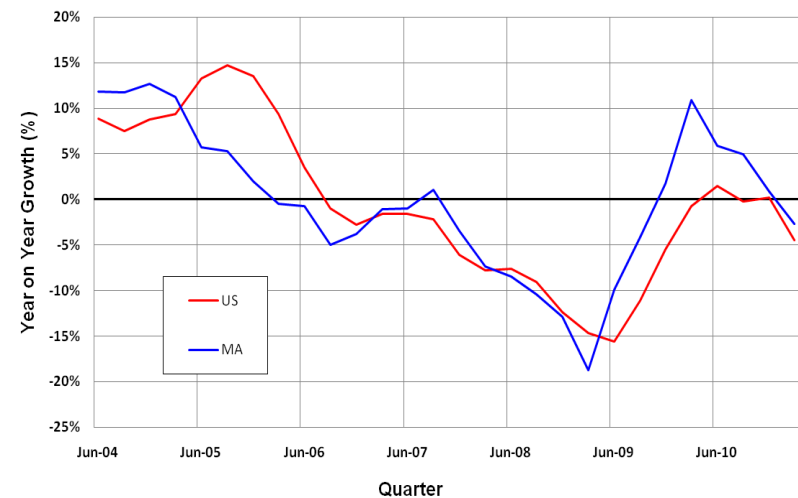
Total Existing Home Sales

Source: National Association of Realtors, Federal Reserve Bank of Boston. August 6, 2011



Growth in Median Sales Price of Existing Single-Family Homes

Source: National and Massachusetts Association of Realtors, Federal Reserve Bank of Boston. As of August 6, 2011.



Massachusetts vs. The Nation

HOUSING MARKET INDICATORS

**Percent of Loans with Mortgage Foreclosures Started
Massachusetts vs. U.S.**

Source: Mortgage Bankers Associations. August 6, 2011.

